

**ZAIN BAHRAIN B.S.C.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

**ZAIN BAHRAIN B.S.C.**

<u>Commercial Registration No.</u>	50603
<u>Chairman of the Board</u>	Sh. Ahmed Bin Ali Al Khalifa
<u>Members of the Board of Directors</u>	Sh. Rashid Bin Abdulrahman Al Khalifa – Independent Director Mr. Ali Hassan Al-Khaja – Independent Director Mr. Bader Nasser Al-Kharafi Mr. Yousif Khaled Alabdurazzaq Mr. Nasser Sulaiman Al Harthy Mr. Osamah Othman Al Furaih
<u>Corporate Secretary</u>	Mrs. Nadeya Aqeel Abdulrahman
<u>Acting Chief Executive Officer</u>	Mr. Ammar AlKetbi
<u>Managing Director</u>	Mr. Mohammed Zainalabedin
<u>Chief Financial Officer</u>	Mr. Iyadh Borgi
<u>Registered Office</u>	P.O. Box 266, Al-Seef Manama, Kingdom of Bahrain
<u>Principal Bankers</u>	National Bank of Kuwait S.A.K.P. – Bahrain Branch Bank of Bahrain and Kuwait B.S.C. First Abu Dhabi Bank PJSC Kuwait Finance House B.S.C ©
<u>Auditor</u>	KPMG Fakhro Manama Kingdom of Bahrain

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# Independent auditors' report on review of condensed consolidated interim financial statements

## To the Board of Directors

Zain Bahrain BSC

Kingdom of Bahrain

## Introduction

We have reviewed the accompanying 30 September 2025 condensed consolidated interim financial statements of Zain Bahrain B.S.C. (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 September 2025;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2025;
- the condensed consolidated statement of changes in equity for the nine-month period ended 30 September 2025;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 September 2025; and
- notes to the condensed consolidated interim financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2025 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

22 October 2025

**ZAIN BAHRAIN B.S.C.**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2025**

	<b>Notes</b>	<b>30 September 2025 (Reviewed) BD '000</b>	<b>31 December 2024 (Audited) BD '000</b>
<b><u>ASSETS</u></b>			
<b>Current assets</b>			
Cash and banks		11,001	9,615
Trade receivables and other assets	5	16,417	16,747
Contract assets		7,791	7,073
Inventories	6	1,252	3,933
<b>Total current assets</b>		<b>36,461</b>	<b>37,368</b>
<b>Non-current assets</b>			
Trade receivables and other assets	5	152	175
Contract assets		2,386	2,510
Right-of-use assets	7.1	20,143	21,051
Property and equipment	8	68,088	71,716
Intangible assets	9	8,160	9,091
<b>Total non-current assets</b>		<b>98,929</b>	<b>104,543</b>
<b>Total Assets</b>		<b>135,390</b>	<b>141,911</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	23,331	29,363
Lease liabilities	7.2	3,799	4,002
Contract liabilities		1,558	1,748
<b>Total current liabilities</b>		<b>28,688</b>	<b>35,113</b>
<b>Non-current liabilities</b>			
Trade and other payables	10	285	587
Lease liabilities	7.2	16,928	17,384
Provision for employees' end of service benefits		757	706
<b>Total non-current liabilities</b>		<b>17,970</b>	<b>18,677</b>
<b>Total Liabilities</b>		<b>46,658</b>	<b>53,790</b>
<b>Equity</b>			
Share capital		36,800	36,800
Treasury shares		(754)	(754)
Treasury shares reserve		(6)	(6)
Share premium		3,032	3,032
Statutory reserve		15,136	15,136
Retained earnings		33,549	32,646
Equity attributable to owners of the Company		87,757	86,854
Non-controlling interests		975	1,267
<b>Total Equity</b>		<b>88,732</b>	<b>88,121</b>
<b>Total Liabilities and Equity</b>		<b>135,390</b>	<b>141,911</b>

The condensed consolidated interim financial statements were approved and authorized for issue on 22 October 2025 and signed on behalf of the Directors by:

Sh. Ahmed Bin Ali Al Khalifa  
Chairman

Mr. Bader Nasser Al-Kharafi  
Board member

The attached notes form part of these condensed consolidated interim financial statements.

**ZAIN BAHRAIN B.S.C.**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

	Notes	Three-month period ended 30 September		Nine-month period ended 30 September	
		2025	2024	2025	2024
		(Reviewed) BD '000	(Reviewed) BD '000	(Reviewed) BD '000	(Reviewed) BD '000
Revenue	11	19,505	19,001	60,750	57,440
Cost of revenue		(5,432)	(5,509)	(19,424)	(17,574)
Operating and administrative expenses		(7,274)	(6,694)	(21,930)	(20,259)
Depreciation of property and equipment	8	(2,444)	(2,913)	(7,117)	(8,645)
Depreciation of right-of-use assets	7.1	(1,173)	(1,116)	(3,506)	(3,352)
Amortization of intangible assets	9	(562)	(562)	(1,687)	(1,687)
Expected credit losses on financial assets and contract assets	12	(794)	(446)	(2,302)	(1,465)
<b>Operating profit</b>		<b>1,826</b>	<b>1,761</b>	<b>4,784</b>	<b>4,458</b>
Finance income		93	124	245	283
Other income		27	50	36	155
Other expenses		(10)	(57)	(18)	(68)
Finance costs	13	(395)	(307)	(1,161)	(908)
<b>Profit for the period</b>		<b>1,541</b>	<b>1,571</b>	<b>3,886</b>	<b>3,920</b>
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>1,541</b>	<b>1,571</b>	<b>3,886</b>	<b>3,920</b>
<b>Total comprehensive income for the period</b>					
Attributable to:					
Owners of the Company		1,640	1,622	4,178	4,044
Non-controlling interests		(99)	(51)	(292)	(124)
		<b>1,541</b>	<b>1,571</b>	<b>3,886</b>	<b>3,920</b>
<b>Basic and diluted earnings per share</b>	14	<b>Fils 4</b>	<b>Fils 4</b>	<b>Fils 11</b>	<b>Fils 11</b>

Sh. Ahmed Bin Ali Al Khalifa  
Chairman

Mr. Bader Nasser Al-Kharafi  
Board member

The attached notes form part of these condensed consolidated interim financial statements

**ZAIN BAHRAIN B.S.C.**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

	Share capital BD '000	Treasury shares BD '000	Treasury shares reserve BD '000	Share premium BD '000	Statutory reserve BD '000	Retained earnings BD '000	Equity attributable to owners of the company BD '000	Non-controlling interests BD '000	Total equity BD '000
<b>Balance, 31 December 2024 (Audited)</b>	<b>36,800</b>	<b>(754)</b>	<b>(6)</b>	<b>3,032</b>	<b>15,136</b>	<b>32,646</b>	<b>86,854</b>	<b>1,267</b>	<b>88,121</b>
Appropriation of dividends	-	-	-	-	-	(3,275)	(3,275)	-	(3,275)
Total comprehensive income for the period	-	-	-	-	-	4,178	4,178	(292)	3,886
<b>Balance, 30 September 2025 (Reviewed)</b>	<b>36,800</b>	<b>(754)</b>	<b>(6)</b>	<b>3,032</b>	<b>15,136</b>	<b>33,549</b>	<b>87,757</b>	<b>975</b>	<b>88,732</b>
Balance, 31 December 2023 (Audited)	36,800	(754)	(6)	3,032	14,544	30,591	84,207	1,452	85,659
Appropriation of dividends	-	-	-	-	-	(3,275)	(3,275)	-	(3,275)
Total comprehensive income for the period	-	-	-	-	-	4,044	4,044	(124)	3,920
Appropriation to statutory reserve	-	-	-	-	433	(433)	-	-	-
<b>Balance, 30 September 2024 (Reviewed)</b>	<b>36,800</b>	<b>(754)</b>	<b>(6)</b>	<b>3,032</b>	<b>14,977</b>	<b>30,927</b>	<b>84,976</b>	<b>1,328</b>	<b>86,304</b>

The Annual General Assembly of shareholders held on 19 March 2025 approved cash dividends distribution of 9 fils per share (25 March 2024: 9 fils per share).

The attached notes form part of these condensed consolidated interim financial statements

**ZAIN BAHRAIN B.S.C.**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

	Notes	Nine-month period ended 30 September	
		2025 (Reviewed) BD '000	2024 (Reviewed) BD '000
<b>Cash flows from operating activities</b>			
Profit for the period		3,886	3,920
Adjustments for:			
Depreciation of property and equipment	8	7,117	8,645
Depreciation of right-of-use assets	7.1	3,506	3,352
Amortization of intangible assets	9	1,687	1,687
Increase in expected credit losses on financial assets and contract assets	12	2,302	1,465
Provision for inventories		101	75
Finance income		(245)	(283)
Finance costs	13	1,161	908
Gain on termination of leases		(29)	(25)
(Gain) / loss on disposal of property and equipment		(25)	42
Provision for employees' end of service benefits		104	120
		<u>19,565</u>	<u>19,906</u>
Working capital changes:			
Net change in inventories		2,580	2,555
Net change in trade receivables and other assets		(1,989)	(3,505)
Net change in contract assets		(575)	(834)
Net change in trade and other payables		(1,333)	(2,574)
Net change in contract liabilities		(190)	34
Cash generated from operating activities		<u>18,058</u>	<u>15,582</u>
Finance costs paid		<u>(1,161)</u>	<u>(908)</u>
<i>Net cash generated from operating activities</i>		<u><b>16,897</b></u>	<u><b>14,674</b></u>
<b>Cash flows from investing activities</b>			
Payment for acquisition of property and equipment		(8,238)	(6,471)
Payment for intangible assets		(1,078)	(1,098)
Proceeds from disposal of property and equipment		30	55
Finance income		245	283
Deposits maturing after three months - net		<u>1,200</u>	<u>-</u>
<i>Net cash used in investing activities</i>		<u><b>(7,841)</b></u>	<u><b>(7,231)</b></u>
<b>Cash flows from financing activities</b>			
Movement of principal portion of lease liabilities		(3,195)	(3,108)
Dividends paid to shareholders		<u>(3,275)</u>	<u>(3,275)</u>
<i>Net cash used in financing activities</i>		<u><b>(6,470)</b></u>	<u><b>(6,383)</b></u>
Net increase in cash and cash equivalents		2,586	1,060
Cash and cash equivalents, beginning of period		<u>7,415</u>	<u>5,822</u>
<b>Cash and cash equivalents, end of period</b>		<u><b>10,001</b></u>	<u><b>6,882</b></u>
<b>Cash and cash equivalents:</b>			
Cash on hand and at banks		10,001	6,882
Short-term deposits at banks		<u>1,000</u>	<u>3,000</u>
Cash and bank balances		<u><b>11,001</b></u>	<u><b>9,882</b></u>
Less:			
Deposits with contractual maturity of more than three months		<u>(1,000)</u>	<u>(3,000)</u>
<b>Cash and cash equivalents, end of period</b>		<u><b>10,001</b></u>	<u><b>6,882</b></u>

The attached notes form part of these condensed consolidated interim financial statements



**ZAIN BAHRAIN B.S.C.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

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**1. REPORTING ENTITY**

Zain Bahrain B.S.C. (the "Company") is a Bahraini Shareholding Company (Public) incorporated in the Kingdom of Bahrain on 19 April 2003 and registered with the Ministry of Industry and Commerce under Commercial Registration number 50603. Its shares are listed on the Bahrain Bourse. The Company is a subsidiary of Mobile Telecommunications Company K.S.C.P. (the "Parent Company"), a Kuwaiti shareholding company listed on the Kuwait Stock Exchange which is a subsidiary of Oman Telecommunications Company SAOG (the "Ultimate Parent Company"), a listed company incorporated in the Sultanate of Oman. The Company's registered office is P.O. Box 266, Al-Seef, Manama, Kingdom of Bahrain.

The Company has established two subsidiaries, both incorporated in Kingdom of Bahrain, TASC Properties W.L.L. (fully owned by the Company) and Bede B.S.C (c) (formerly Tamam Bahrain B.S.C. (c)) (70% owned by the Company) together referred to as the "Group". The financial information of the subsidiaries is incorporated in these condensed consolidated financial statements.

The Group is mainly engaged in the provision of public telecommunications and related products and services, and regulated financing activities through its subsidiary.

**2. BASIS OF ACCOUNTING**

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements as at and for the year ended 31 December 2024.

The condensed consolidated interim financial statements are prepared in Bahraini Dinar, which is the Group's functional and presentation currency, and all values are rounded to the nearest thousands (BD'000) except where indicated otherwise.

In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the period are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

**3. MATERIAL ACCOUNTING POLICIES**

The condensed consolidated interim financial statements have been prepared under the historical cost convention.

The same accounting policies, presentation and methods of computation followed in these condensed consolidated interim financial statements were applied in the preparation of the Group's financial statements for the year ended 31 December 2024 except for the adoption of amended standards effective from 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2025, but had no material impact on the condensed consolidated interim financial statements of the Group:

- Lack of Exchangeability – Amendments to IAS 21

**4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2024.

**ZAIN BHRAIN B.S.C.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

**5. TRADE RECEIVABLES AND OTHER ASSETS**

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	BD '000	BD '000
Trade receivables:		
Due from postpaid subscribers	12,061	16,709
Due from roaming partners	422	1,692
Due from distributors	608	528
Interconnect receivables from other operators	2,049	1,676
Financing receivables	2,327	328
	<u>17,467</u>	<u>20,933</u>
Expected credit loss	<u>(5,141)</u>	<u>(8,902)</u>
	<u>12,326</u>	<u>12,031</u>
Other assets:		
Due from related parties (note 16)	737	488
Sundry receivables and advance payments	2,356	3,395
Staff receivables	154	141
	<u>3,247</u>	<u>4,024</u>
Expected credit loss	<u>(125)</u>	<u>(130)</u>
	<u>3,122</u>	<u>3,894</u>
Prepaid expenses	<u>1,121</u>	<u>997</u>
Total trade receivables and other assets	<u><b>16,569</b></u>	<u><b>16,922</b></u>
<i>Represented by:</i>		
Current portion:		
Trade receivables and other assets	15,448	15,925
Prepaid expenses	969	822
	<u><b>16,417</b></u>	<u><b>16,747</b></u>
Non-current portion:		
Prepaid expenses	<u>152</u>	<u>175</u>
	<u><b>152</b></u>	<u><b>175</b></u>

**6. INVENTORIES**

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	BD '000	BD '000
Handsets, accessories and others	2,107	4,687
Provision for obsolescence and net realizable value	<u>(855)</u>	<u>(754)</u>
	<u><b>1,252</b></u>	<u><b>3,933</b></u>

**ZAIN BAHRAIN B.S.C.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

**7. LEASES**

**7.1 Right-of-use assets**

The recognized right-of-use assets relates to the following types of assets leased by the Group. The average lease term is five years.

	<b>Building, premises and others</b>	<b>Sites</b>	<b>Total</b>
	BD '000	BD '000	BD '000
Balance, 31 December 2024 (Audited)	3,961	17,090	21,051
Depreciation during the period	(455)	(3,051)	(3,506)
Additions / modifications during the period	87	3,084	3,171
Terminations	(6)	(567)	(573)
Balance, 30 September 2025 (Reviewed)	<b>3,587</b>	<b>16,556</b>	<b>20,143</b>

The following are the amounts recognized in profit or loss for the nine-month period ended 30 September:

	<b>2025 (Reviewed)</b>	<b>2024 (Reviewed)</b>
	BD '000	BD '000
Depreciation on right-of-use assets	3,506	3,352
Interest expense on lease liabilities (note 13)	1,130	860

The total cash outflow for leases amounted to BD 4,325 thousand during the nine-month period ended 30 September 2025 (2024: BD 3,968 thousand for the nine-month period end 30 September 2024).

At the reporting date, none of the property leases in which the Group is the lessee, contain variable lease payment terms.

**7.2 Lease liabilities**

Below is the allocation of lease liabilities as at:

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	BD '000	BD '000
Current lease liabilities	3,799	4,002
Non-current lease liabilities	16,928	17,384
	<b>20,727</b>	<b>21,386</b>

The maturity analysis of lease liabilities is as follows:

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	BD '000	BD '000
Not later than 1 year	5,170	5,364
Later than 1 year and not later than 5 years	13,814	14,014
Later than 5 years	9,099	9,570
	28,083	28,948
Less: Interest for future period	(7,356)	(7,562)
	<b>20,727</b>	<b>21,386</b>

**ZAIN BAHRAIN B.S.C.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

**8. PROPERTY AND EQUIPMENT**

	Freehold land and Building	Network equipment and systems	Office equipment, Furniture and Fixtures and Others	Capital work-in- progress	Total
	BD'000	BD'000	BD'000	BD'000	BD'000
<b>Cost:</b>					
Balances at 31 December 2024 (Audited)	17,773	169,365	5,153	12,673	204,964
Additions	-	-	-	3,494	3,494
Transfers	-	10,606	58	(10,664)	-
Disposal	-	(345)	-	-	(345)
Balance at 30 September 2025 (Reviewed)	<b>17,773</b>	<b>179,626</b>	<b>5,211</b>	<b>5,503</b>	<b>208,113</b>
<b>Accumulated depreciation:</b>					
Balances at 31 December 2024 (Audited)	1,536	126,803	4,909	-	133,248
Depreciation expense	142	6,880	95	-	7,117
Disposal	-	(340)	-	-	(340)
Balance at 30 September 2025 (Reviewed)	<b>1,678</b>	<b>133,343</b>	<b>5,004</b>	<b>-</b>	<b>140,025</b>
<b>Carrying values:</b>					
30 September 2025 (Reviewed)	<b>16,095</b>	<b>46,283</b>	<b>207</b>	<b>5,503</b>	<b>68,088</b>
31 December 2024 (Audited)	16,237	42,562	244	12,673	71,716

The freehold land and buildings include freehold land amounting to BD 9.97 million (2024: BD 9.97 million) which is not depreciated. Capital work in progress mainly relates to network equipment in respect of network expansions and improvements.

**ZAIN BAHRAIN B.S.C.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**

**9. INTANGIBLE ASSETS**

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	BD '000	BD '000
Mobile frequency and spectrum license	7,666	8,535
Other intangible assets	494	556
	<b>8,160</b>	<b>9,091</b>

The movement of intangible assets is as follows:

	<b>Nine-month period ended 30 September 2025</b>
	BD '000
Balance, 31 December 2024 (Audited)	9,091
Addition	756
Amortization	(1,687)
Balance, 30 September 2025 (Reviewed)	<b>8,160</b>

Spectrum Usage Right Fees for frequency allocation in the 3500 MHz frequency band was acquired on 1 December 2022 and amortized over the license period of 15 years. The license fees are required to be paid over a five-year period. Accordingly, the license fees were capitalized by discounting at incremental borrowing rate.

Frequency license for additional spectrum block was acquired on 19 September 2013 and amortised over the license period of 15 years. In 2019, the Group renewed mobile frequency license and spectrum frequency license for 10 years and 15 years respectively and the license fees are required to be paid over five years period. Accordingly, the license fees were capitalized by discounting at incremental borrowing rate.

**10. TRADE AND OTHER PAYABLES**

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	BD '000	BD '000
Trade payables	4,180	5,193
Accrued expenses	13,490	19,047
Interconnection payable	511	147
Due to roaming partners	679	502
Accrued employees' benefits	1,320	1,526
Due to related parties (note 16)	3,233	3,114
Value added tax payable	20	182
Accrued Directors' remuneration	168	224
Deposits	12	12
Dividends payable	3	3
Total trade and other payables	<b>23,616</b>	<b>29,950</b>
<i>Represented by:</i>		
Current portion	23,331	29,363
Non-Current portion	285	587
	<b>23,616</b>	<b>29,950</b>

**ZAIN BAHRAIN B.S.C.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**11. REVENUE**

The Group derives its revenue mainly from telecommunications related services, which management considers a single reportable business segment, categorized as follows:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 (Reviewed)	2024 (Reviewed)	2025 (Reviewed)	2024 (Reviewed)
	BD '000	BD '000	BD '000	BD '000
Airtime, data, subscription and others (Over time)	16,595	15,552	48,313	46,197
Trading (Point in time)	2,910	3,449	12,437	11,243
	<b>19,505</b>	<b>19,001</b>	<b>60,750</b>	<b>57,440</b>

**12. EXPECTED CREDIT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS**

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 (Reviewed)	2024 (Reviewed)	2025 (Reviewed)	2024 (Reviewed)
	BD '000	BD '000	BD '000	BD '000
Expected credit losses on trade and other receivables	814	455	2,342	1,405
Expected credit losses on contract assets	(13)	(12)	(19)	55
Expected credit losses on bank balances	(7)	3	(21)	5
	<b>794</b>	<b>446</b>	<b>2,302</b>	<b>1,465</b>

**13. FINANCE COSTS**

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 (Reviewed)	2024 (Reviewed)	2025 (Reviewed)	2024 (Reviewed)
	BD '000	BD '000	BD '000	BD '000
Interest expense on lease liabilities (note 7.1)	384	292	1,130	860
Interest expense on spectrum and licenses	11	15	31	45
Interest expense on overdraft	-	-	-	3
	<b>395</b>	<b>307</b>	<b>1,161</b>	<b>908</b>

**14. EARNINGS PER SHARE**

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 (Reviewed)	2024 (Reviewed)	2025 (Reviewed)	2024 (Reviewed)
Profit for the period attributable to owners of the Company (BD'000)	1,640	1,622	4,178	4,044
Weighted average number of shares in issue	363,883,010	363,883,010	363,883,010	363,883,010
Basic and diluted earnings per share (fils)	4	4	11	11

Basic and diluted earnings per share are same since the Group has not issued any instrument that would have a diluting effect.

**15. SEGMENT INFORMATION**

The Group principally operates in a single business segment, telecommunications and related services, organized into three main activities: mobile operation, fixed broadband operation and trading of handsets and accessories. Management considers that its significant business activities are not separate operating units.

The Group carries out its operations in the Kingdom of Bahrain.

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**16. RELATED PARTIES**

The Group has entered into transactions with related parties on terms approved by management. Transactions with related parties during the three-month and nine-month period ended 30 September were as follows:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 (Reviewed)	2024 (Reviewed)	2025 (Reviewed)	2024 (Reviewed)
<b>Condensed consolidated statement of profit and loss</b>	BD '000		BD '000	
<b>Costs:</b>				
Management fees – Parent company	497	477	1,458	1,409
Outpayments to telecommunication operators	681	407	1,738	1,223
Others	89	57	398	117
<b>Revenue:</b>				
Telecommunication services – <i>entities under common control</i>	54	124	458	396
<b>Condensed consolidated statement of financial position</b>				
Capital expenditure	425	5	495	32
<b>Remuneration of key management:</b>				
Short-term benefits	499	452	1,492	1,374
Other long-term benefits	51	74	214	271
Total remuneration	550	526	1,706	1,645

Balances with related parties were as follows:

	30 September 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
<b>Due from related parties: (note 5)</b>		
Mobile Telecommunications Company K.S.C.P.	66	3
Mobile Telecommunication Company Saudi Arabia	277	262
Oman Telecommunications Company S.A.O.G.	144	108
Zain Global Communication Services W.L.L.	194	65
Zain – Jordan	29	20
Zain – Iraq	22	22
Zain – Omantel International (ZOI)	3	5
Others	2	3
	<b>737</b>	<b>488</b>
<b>Due to related parties: (note 10)</b>		
Mobile Telecommunications Company K.S.C.P.	1,207	1,175
Zain Global Communication Services W.L.L.	230	848
Mobile Telecommunication Company Saudi Arabia	449	379
Zain – Omantel International (ZOI)	563	-
Zain Tech Solutions	463	457
Oman Telecommunications Company S.A.O.G.	227	197
FOO Off Shore SAL	18	18
Zain- Iraq	34	1
Zain – Jordan	37	30
Others	5	9
	<b>3,233</b>	<b>3,114</b>

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**17. INCOME TAX**

The Kingdom of Bahrain issued and enacted Decree Law No. (11) of 2024 ('Bahrain DMTT law') on 1 September 2024 introducing a domestic minimum top-up tax ("DMTT") of 15% on the taxable income of the Bahrain resident constituent entities of the MNE group for fiscal years commencing on or after 1 January 2025. The multinational enterprise (MNE) group is subject to the OECD Global Anti-Base Erosion Pillar Two Model Rules ('GloBE rules') that apply to MNE groups with total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years.

The Ultimate Parent Entity, Oman Telecommunications Company SAOG (domiciled and operating in the Sultanate of Oman), along with the Parent Entity, Mobile Telecommunications Company K.S.C.P. (domiciled and operating in the State of Kuwait), has assessed its position and determined that it falls within the scope of the GloBE rules.

As per the Group's assessment of applicability of the Bahrain DMTT law and GloBE rules, while it is within the scope of the DMTT law and GloBE rules, the tax liability for the fiscal year 2025 is expected to be reduced to 'Nil' for the Group, as the Group is expected to meet certain conditions for exclusion as specified in the Bahrain DMTT law and related legislation. Accordingly, no tax provision has been recognised for the period from 1 January 2025 to 30 September 2025.

**18. COMMITMENTS**

The Group had the following outstanding items:

	<b>30 September 2025 (Reviewed)</b>	<b>31 December 2024 (Audited)</b>
	<b>BD '000</b>	<b>BD '000</b>
Letters of guarantee	983	887
Capital expenditures	7,890	718